

Federal Charter Regulation for Arizona School Districts

The Arizona Charter School Incentive Program (AZCSIP) is funded by the US Department of Education Charter School Program (ED CSP). Federal CSP regulations and Arizona charter law are not always on a parallel path. In order for an AZ public school district to authorize a charter school eligible to receive AZCSIP funds, the proposed school must meet the federal definition of a charter school (See *Section 5210* below) and follow AZCSIP procedure.

AZCSIP Procedure

Under ARS § 15 -183 (A) Arizona Schools districts may serve as sponsors to charter entities. Public Schools districts that seek to authorize a charter entity shall not be one and the same. Note especially section (C)(1)(e) regarding a districts status with the Auditor General and it's a ability to authorize a charter.

1. A charter is the contract between the sponsor (the public school district) and the charter entity (the school). In order to qualify for the AZCSIP grant award, the charter entity and its school district authorizer must be autonomous entities separate from each other, each with its own governing authority and separate financial management. School districts may not commingle charter entity funds in their own accounts.
2. The charter entity must be a non-profit organization; however, creation of the non-profit organization does not automatically create an autonomous charter eligible for AZCSIP funds.
3. The school district board, on its own or through its staff, must create an application that is aligned with ARS §15 – 183. The school district must be in compliance AZ USFR 24 months previous to granting the charter.
4. The charter entity completes and submits the charter application to the school district board for approval.
5. The charter application process must be completed and approved by its authorizer before a charter entity may apply for the Arizona Department of Education AZCSIP grant. The AZCSIP application deadline is traditionally in mid January of each calendar year.
6. If the charter school is awarded the start-up funding, no AZCSIP money will go to the district; all funds will go to the charter entity. This will not prevent the school district from providing services to the charter entity as long as all services are clearly defined and describe in contractual agreements between the two autonomous organizations.

Below is the federal definition of a charter school based on ESEA, Title V, Part B, 5210.

SEC. 5210. DEFINITIONS.

In this subpart:

- (1) CHARTER SCHOOL- The term charter school' means a public school that —
(A) in accordance with a specific State statute authorizing the granting of charters to schools, is exempt from significant State or local rules that inhibit the flexible

operation and management of public schools, but not from any rules relating to the other requirements of this paragraph;

(B) is created by a developer as a public school, or is adapted by a developer from an existing public school, and is operated under public supervision and direction;

(C) operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the authorized public chartering agency;

(D) provides a program of elementary or secondary education, or both;

(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

(F) does not charge tuition;

(G) complies with the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals with Disabilities Education Act;

(H) is a school to which parents choose to send their children, and that admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

(I) agrees to comply with the same Federal and State audit requirements as do other elementary schools and secondary schools in the State, unless such requirements are specifically waived for the purpose of this program;

(J) meets all applicable Federal, State, and local health and safety requirements;

(K) operates in accordance with State law; and

(L) has a written performance contract with the authorized public chartering agency in the State that includes a description of how student performance will be measured in charter schools pursuant to State assessments that are required of other schools and pursuant to any other assessments mutually agreeable to the authorized public chartering agency and the charter school.

(2) DEVELOPER- The term developer' means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

(3) ELIGIBLE APPLICANT- The term eligible applicant' means a developer that has —

(A) applied to an authorized public chartering authority to operate a charter school; and

(B) provided adequate and timely notice to that authority under section 5203(d)(3).

(4) AUTHORIZED PUBLIC CHARTERING AGENCY- The term authorized public chartering agency' means a State educational agency, local educational agency, or other public entity that has the authority pursuant to State law and approved by the Secretary to authorize or approve a charter school.